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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/758,624	01/11/2001	Douglas R. Elliott	TEQ 1117005	8961
32233	7590	08/10/2005	EXAMINER	
STORM L.L.P. BANK OF AMERICA PLAZA 901 MAIN STREET, SUITE 7100 DALLAS, TX 75202			DASS, HARISH T	
			ART UNIT	PAPER NUMBER
			3628	

DATE MAILED: 08/10/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/758,624

Applicant(s)

ELLIOTT, DOUGLAS R.

Examiner

Harish T. Dass

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 27 May 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 12-17 is/are pending in the application.
- 4a) Of the above claim(s) 1-11 and 18-43 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 12-17 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: _____

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on May 27, 2005 has been entered.

DETAILED ACTION

Claims 1-11, and 18-43 are withdrawn.

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 12-17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Risen, Jr. et al (hereinafter Risen - US 6,018,714) in view of Champion et al (hereinafter Champion – US 5,126,936), Kieso et al "Intermediate Accounting", John Wiley & Sons, Inc., eighth edition 1995, pages 571-619; ISBN 0-471-59759-7 (hereinafter Kieso) and FindLaw for Legal Professionals "US Fed Circuit Court

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of Appeals – Rhone-Poulence v Dekalb Genetics”, decided March 26, 2002 (hereinafter FindLaw).

Re. Claim 12, Risen discloses intellectual property, and more particularly relates to protection against changes in value of intellectual property [see entire document particularly, Abstract; Fig. 1; C1 L1 to C4 L63], a) identifying an intellectual property [C27 L25-L30],

b) identifying initial ownership of said intellectual property [C27 L25-L30],

i) identifying at least one other intellectual property [C9 L30-35; C27 L25-L30],

j) identifying initial ownership of said at least one other intellectual property [C27 L25-L30] and,

k). assessing (determining) a value for said at least one intellectual property [Abstract; C8 L64 to C9 L56].

Risen does not explicitly disclose using a method or c) an algorithm for assessing a value of an intellectual property,

d/l) obtaining title to said intellectual property <d1> in exchange, paying the initial ownership, from a general trust account, an amount not more than the accessed value of said intellectual property, <d2> obtaining funding for said general trust account from a plurality of initial investor accounts,

e) creating said investor accounts by identifying a plurality of investors, obtaining an initial amount from each of said investors and associating in at least

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one electronic database at least a portion of said initial amount with at least one investor account for each said investor,

g) allocating said at least one payment from said initial ownership to said general trust account in at least one electronic database,

h) allocating payments from said general trust account to at least one of said investor accounts in at least one electronic database,

l) obtaining title to said at least one other intellectual property in exchange for paying not more than the assessed value of said at least one other intellectual property to said initial ownership, <l1> obtaining said payment to the initial ownership from a general trust account, <l2> obtaining funding for said general trust account from at least one subsequent investor account,

m) creating said subsequent investor accounts in at least one electronic database by identifying a plurality of investors, obtaining an initial amount from each of said subsequent investors and associating at least a portion of said initial amount with said investor account in at least one electronic database for each said subsequent investor,

n) granting a license to said initial ownership to use said in at least one other intellectual property in exchange for at least one payment from said initial ownership,

o) allocating said at least one payment for said license for said at least one other intellectual property from said initial ownership to said general trust account in at least one electronic database, and

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p) allocating payments from said general trust account to at least one of said subsequent investor accounts in at least one electronic database.

However, Kieso discloses (c & k) using a method or an algorithm for assessing a value of an intellectual property (precipitator patent, p 599-602, 610-611) using at least one algorithm or Amortization and assessing a value for said at least one other intellectual property [pages 571-619] to evaluate fair market value (purchased price) for intangible asset(s).

Champion, discloses data processing system to control account management and investment tracking for participating investors, and database [see entire document particularly – Abstract; Figures 2-3; C1 L1 to C3 L55; C6 L6-L12]. g) allocating said at least one payment from said initial ownership to said general trust account [Champion – C4 L1-L28], and h) allocating payments from said general trust account to at least one of said investor accounts [Champion – C4 L1-L28] to adjust the customer account for customer request of asset allocation, withdrawal or deposit.

Findlaw discloses d/l) obtaining title to said intellectual property, <dl> in exchange, paying the initial ownership and f/n) granting a license to said initial ownership to use said intellectual property in exchange for at least one payment from said initial ownership and granting a license to said initial ownership (a purchaser) to use said in at least one other intellectual property in exchange for at least one payment from said initial ownership (a purchaser) and allocating said at least one payment (paid value) for said license for said at least one other intellectual property [see al pages 1-16 particularly 3, 5-8, 13 -- initial ownership

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is not different than a purchaser and he/she can be any one] to not infringe on others property and acquire patent license by fraud.

Further, portfolio of assets are known such as: mutual funds, share of company stocks, or real estate investment trust (REIT) a company that manages a portfolio of real estates to earn profits for shareholders and includes shareholders and investment portfolio (buildings) an accounting system (general account, etc) to manage the investment, access properties (an amount not more than the accessed value of said intellectual property (property), shareholders and shares and more shares which can includes as part of a business structure or business choice an accounting system having: (<d2> obtaining funding for said general trust account from a plurality of initial investor accounts, e) creating said investor accounts by identifying a plurality of investors, obtaining an initial amount from each of said investors and associating in at least one electronic database at least a portion of said initial amount with at least one investor account for each said investor, allocating said at least one payment from said initial ownership to said general trust account in at least one electronic database, allocating payments from said general trust account to at least one of said investor accounts in at least one electronic database, exchange for paying not more than the assessed value of said at least one other intellectual property to said initial ownership, <l1> obtaining said payment to the initial ownership from a general trust account, <l2> obtaining funding for said general trust account from at least one subsequent investor account, creating said subsequent investor accounts in at least one electronic database by identifying a plurality of investors,

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obtaining an initial amount from each of said subsequent investors and associating at least a portion of said initial amount with said investor account in at least one electronic database for each said subsequent investor, from said initial ownership to said general trust account in at least one electronic database, and allocating payments from said general trust account to at least one of said subsequent investor accounts in at least one electronic database). For example to clarify the above, buying shares in Intiut or Qualcomm, which owns multiple patents automatically makes the share holder a partial owner who has an account with Intiut (Qualcomm) and Intuit (Qualcomm) uses combine money (fund), which is a pool of funds from investors, to buy a new patent and pay a fair value for it based on Intuit calculation.

It would have been obvious at the time the invention was made to a person having ordinary skill in the art to of accounting and finance to modify the disclosure of Risen and include investment portfolio intellectual properties similar to REIT with accounting system where the investment is collected from investors (shareholders) for ^{the} purpose of creating a portfolio of properties (intellectual properties) through buying based on ^{an} assessing algorithm of Kieso to get a fair value of the property and making payments as described by Champion and obtaining the property title (intellectual property title – conveyance) and licensing to others, as described by Findlaw, to purchase intellectual properties legally and grant license to others for helping the product production and sale which helps the company bottom line.

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Re. Claim 13, Risen further discloses granting a limited license to a party other than the original user of said intellectual property and obtaining at least one payment from said licensee of said intellectual property for a license to use said intellectual property [C8 L64].

Re. Claim 14, Risen further discloses allocating payments from said general trust account to at least one account other than an investor account and data processing [C2 L48 to C3 L16; C8 L44 to C9 L43; C26 L12-L33]. Risen does not explicitly disclose in at least one electronic database. However, Champion discloses database to store to handle investor accounts [Abstract; C1 L15-L49; C6 L9-L13]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Risen and include database to handle large amount of accounting information.

Re. Claim 15, Risen, Findlaw or Kieso does not explicitly disclose allocating payments to said investor accounts in the at least one electronic database using at least one algorithm that considers factors in addition to the initial amount obtained from said investor. However, Champion discloses allocating payments and fees [C1 L35-L67; C14 L1-L28] to adjust the customer account for deposit and asset allocations. Further, allocating payments to said investor accounts in the at least one electronic database using at least one algorithm that considers factors in addition to the initial amount obtained from said investor is obvious with is similar to an investor account, to one skill in the art, in a mutual fund will have

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a value proportional to the number of shares (units) it has, similarly the dividend, fees, gain or interest it gets will be proportional to its share based on what he/she has in investment. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Risen, Champion, Findlaw and Kieso and include a formula with certain criteria to allocate payments based on the share of the account to satisfy the investors they get their part of business fairly.

Re. Claim 16, Risen, Champion, Findlaw or Kieso explicitly discloses where at least one subsequent investor account and at least one initial investor account are the same. However, it is obvious the account can be same if they have the same ownership, same amount of deposit and at the same financial institution otherwise they are not.

Re. Claim 17, claim 17 is rejected with same rationale as claim 12 step d. (It is obvious that different investors have different accounts and even an investor can have different accounts in the same financial institution (i.e. checking/saving accounts, etc.)).

Response to Arguments

2. Applicant's arguments with respect to pending claims, filed 5/27/2005, have been fully considered but are moot in view of the new ground(s) of rejection.

1- In response to No place in Champion .." and "There is no suggested, explicitly, or implicitly, use of an electronic data processing ...", one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. In re Keller, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); In re Merck & Co., Inc., 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

2- In response to "as a result of the difficulty of evaluation ...", Kieso discloses methods of evaluating the IP. Further, applicant does not claim any particular algorithm which is developed by the applicant.

3. In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

4. In response to applicant's argument that Kieso and Champion are nonanalogous art, it has been held that a prior art reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. See *In re Oetiker*, 977

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F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In this case, Kieso discloses the accounting methods of IP and Champion discloses accounting management and finance system which both relate to current application.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Applicant is required under 37 CFR ' 1.111 (c) to consider the references fully when responding to this action.

Mitre, Web page "Technology Transfer Office - Overview" shows that patents are trade and investors are involved.

DeMatteis "From Patent to Profit - Secretes & Strategies For The successful Inventor", Avery, ISBN: 0-89529-879-1, 1998 (page 245-263, plus cover page) discloses the licensing of IP.

Goodman, Dictionary of Finance and Investment Terms, fifth edition, Barron's, 1998, 3 pages discloses the REIT.


Thomas M Apke "Planning the Acquisition of Intellectual Property Rights in United States", Managerial Law, Patrington: 1998 Vol. 40, Iss 6; page 17, 11 discloses obtaining good titles to IP. [Proquest ID 293373241; ISSN/ISBN: 03090558].

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T. Dass whose telephone number is 571-272-6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Souh can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


DAVID VINCENT
PRIMARY EXAMINER

Harish T Dass
Examiner
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7/25/05